

EXHIBIT 36

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1 UNITED STATES DISTRICT COURT
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3 FOR THE NORTHERN DISTRICT OF NEW YORK
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5 NIKE, INC., :
6 Plaintiff, :
7 vs. : No. 1:22-cv-00983-VEC
8 STOCKX LLC, :
9 Defendant. :
10 _____ :
11

12 DEPOSITION OF BROCK HUBER
TAKEN THROUGH
13 ADVANCED REPORTING SOLUTIONS, a Veritext company
14
15

16 Taken on Thursday, June 29, 2023
17 9:30 a.m. to 12:38 p.m.
18

19 At HYATT CENTRIC PARK CITY
3551 North Escala Court
20 Park City, Utah 84098
21
22

23
24
25 Reported by: Abigail D.W. Johnson, RPR, CRR, CRC

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1 A P P E A R A N C E S
2

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19 For StockX:

20 Kevin Adams
21 Deputy General Counsel
22 StockX

23 Also Present: McKayla Largin (videographer)
24 -ooOoo-

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1 course of business at StockX. A seller was paired with
2 a buyer. The buyer in this case being Roy Kim. The
3 items were shipped from the seller to one of our
4 authentication centers, passed through our proprietary
5 verification process and were ultimately shipped out to
6 this buyer.

7 Q. Okay. And you stated in connection with
8 your testimony regarding Abe Zurita -- is that his last
9 name?

10 A. Mm-hmm.

11 Q. That the products that appear -- strike
12 that -- the order numbers associated with the products
13 that were shipped to Roy Kim were returned by Roy Kim;
14 is that correct?

15 A. Yes. That is correct. That is our policy
16 and has always been our policy. If an end buyer has an
17 issue with an order, they reach out to our customer
18 service. They suspect something they received is
19 inauthentic. We will initiate a review, which
20 typically starts with receiving some pictures of the
21 items in question. And after that photographic review,
22 if we continue to have doubts with the order, we will
23 ask the buyer to send it back to us for an inspection,
24 like the one that Abe did here.

25 Q. Okay. So it's your testimony that Abe

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Term	Percentage
GMOs	100%
Organic	75%
Natural	75%
Artificial	75%
GMOs	100%
Organic	100%
Natural	100%
Artificial	100%
GMOs	100%
Organic	100%
Natural	100%
Artificial	100%
GMOs	100%
Organic	75%
Natural	75%
Artificial	75%
GMOs	100%
Organic	100%
Natural	100%
Artificial	100%

14 Q. Okay. Other than Roy Kim, was any other
15 StockX consumer shipped product from this group of bad
16 actors?

17 A. We don't believe there is any reason to
18 suggest that more bad product went through our process
19 and made it through.

It's also important to realize a lot of
these bad actors will ship good product in an effort to
have positive account attributes in order to trick the
StockX verification process and our fraud team.

24 Q. Why don't you have any reason to suggest
25 that more bad product went through and made it through?

1 A. We have a lot of good faith in our
2 verification process, that our authentication team, you
3 know, when following our operating procedures and
4 inspecting these like Abe and John did, would reject
5 these items.

6 And we don't -- we didn't have any other
7 buyers who complained about the products that they
8 received, and no reinspections were -- were necessary.

9 Q. Okay. So 33 of these clearly did not get
10 caught and made it to a customer.

11 So are you saying that you don't have any
12 reason to suspect that additional product made it
13 through simply because you didn't receive any other
14 complaints from consumers?

15 A. That is a data point, we did not receive
16 any complaints from consumers. But the other items
17 went through our verification process, which we stand
18 by. And I think that it is important to note, while 33
19 is a totally dissatisfactory number, you know, Roy Kim,
20 as an individual, made 2,300-plus orders with StockX
21 that he has never had an issue before. And he
22 continues to shop with us, even after this incident,
23 because he knows, you know, the quality of our program.



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5 again, I think, it's probably important to know with
6 this investigation that, you know, our -- the way our
7 platform works, the buyer and seller are anonymous to
8 each other, but they -- neither of them are anonymous
9 to us in any way.

And so

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[REDACTED]

[REDACTED]

[REDACTED]

4 Q. Sounds like it's a good time for a break
5 then.

6 A. Yeah, let's do it.

7 Q. Okay.

8 VIDEOGRAPHER: We are off the record. The
9 time is 10:30.

10 (Recess was taken.)

11 VIDEOGRAPHER: We are back on the record.
12 The time is 10:50.

13 Counsel may proceed.

14 BY MS. DUVDEVANI:

15 Q. Okay. What did you do to prepare for
16 today's deposition?

17 A. I spent some time with Abe Zurita. I spent
18 some time with John Lopez, with Mark Porteous. And
19 Jennifer from Mark Porteous' team and asked them
20 questions, given their varied involvement in the
21 preparation of these materials, and just asked them to
22 recall what they could about the -- the time about a
23 year ago.

24 Q. Okay. Did you do anything else?

25 A. I prepared with the legal advisors as well.

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1 wouldn't punish the seller for that, because they
2 behaved appropriately.

3 There is a potential for any technology
4 company for there to be a bug, an order for some reason
5 doesn't work. And so basically just -- in areas where
6 a transaction is unsuccessful, but the seller behaved
7 appropriately, we could potentially end up with
8 inventory.

9 Q. Okay. Does StockX ever get inventory from
10 products that are returned by consumers?

11 A. Yes. And it would, again, vary based on
12 why it was returned. If we got an item that was
13 suspected to be inauthentic, we would not take it into
14 inventory.

15 We would, of course, make the buyer whole,
16 but those items would not go into a pool that could
17 potentially be resold. And they ultimately get -- get
18 destroyed.

19 The other place we could have inventory is
20 if we have an agreement with a brand, again, it's not
21 going to be necessarily ours, but we have custody over
22 it, and it could be parked at one of our facilities.
23 And when it's sold, we could fulfill those items on
24 behalf of the brand, and it could come out of an
25 inventory account.

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11 Q. Okay. What happened to the other sellers
12 that sold Roy Kim a fake product --

13 A. So --

14
15 A. So everybody that Mark and team were able,
16 in their analysis, to determine was part of this bad
17 actor group, that seemed to be emanating from a small
18 number of unique devices, was banned.

19 Q. Anybody else?

20 A. No. I think outside of the folks who are
21 connected to the fraud ring, there wasn't anything that
22 looked like egregious, intentional abuse of the
23 platform.

24 Q. Are you aware, looking at the Copy of
25 Referenced Social Media worksheet, which of the sellers